

MOVE UPDATE

6060 PRIMACY PKWY STE 201
MEMPHIS TN 38188-0001



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INTRODUCTION

Effective July 1, 1997, mailers who claim presort or automation rates for First-Class Mail must demonstrate that they have updated the addresses in their mailing lists within 180 days or 6 months prior to the mailing date. The four USPS-approved updating methods include Address Change Service, National Change of Address, *FASTforward*SM, and ancillary service endorsements that indicate the mailer's preference for a mailpiece's disposition.

This booklet provides a brief description of each updating option. The Postal Service makes these options available to meet the needs of mailers at a reasonable cost. Each mailer may need to experiment with several options to determine the most effective method or combination to update addresses in different mailing situations.

Also, to provide additional clarification of the move update requirement, we have included some answers to frequently asked questions. If you have any other questions or need additional information concerning updating methods or the move update requirement, please call the National Customer Support Center (NCSC) at (800) 238-3150.

ADDRESS CHANGE SERVICE

Description

Address Change Service (ACS) is an electronic *enhancement* to traditional, manual methods of providing change-of-address (COA) information to mailers. The system is designed to reduce the volume of manual (hard copy) address correction notifications handled by both the Postal Service and mailers and to centralize and automate the provision of address correction information to mailers. Mailers add a unique code to the address area of their mailpieces to identify them as ACS participants. As undeliverable-as-addressed (UAA) mailpieces are subsequently processed at Computerized Forwarding System (CFS) sites, this code prompts the CFS computer system to create an electronic record of the customer's move information. These records are consolidated nightly at the National Customer Support Center (NCSC) in Memphis and are provided to ACS mailers according to a frequency determined by each mailer.

Expected Benefits

ACS provides significant cost-saving benefits to mailers and the Postal Service. ACS participants are able to use electronically generated address correction information to update their mailing lists more easily and in a more timely manner. The mailer's cost to receive electronic ACS notifications is \$0.20 per record; manual hard copy notifications are \$0.50 per notification. This front-end savings, coupled with the fact that electronic records cost substantially less for mailers to process than labor-intensive manual mailing list update methods, leads to a two-edged financial benefit for participating mailers.

The Postal Service reaps a dual benefit from mailers' use of ACS as well. Electronic address information costs considerably less to process and provide to mailers than manual notifications. In addition, mailers who utilize ACS are able to effect more timely updates to their mailing list databases. This leads to an overall reduction in costly UAA mail volume as fewer mailpieces must be handled multiple times by Postal Service personnel.

Current Status

Currently, ACS has over 2,000 participants representing over 3,500 active participant codes across all mail classes. More than 112 million notifications were provided in 1996, which represents a 5.5% increase over 1995.

Reference Documents

Address Change Service (USPS Publication 8) and *Address Change Service Technical Guide*.

NATIONAL CHANGE OF ADDRESS

Description

The National Change of Address (NCOA) service is offered to mailers through a network of individual businesses licensed by the USPS. The NCOA licensees* are authorized to perform address-matching services on mailers' lists at prices that are competitively determined by the market (prices may vary from licensee to licensee). Costs generally range from \$2.00 to \$5.00 per thousand addresses. On a regularly scheduled basis, the NCOA licensees receive current change-of-address (COA) information that is used to update the NCOA database provided by the Postal Service.

The NCOA process takes the mailer's list and programmatically examines each element of the address. The program attempts to verify or correct the ZIP Code; standardize the format for address, city, and state names; and append ZIP+4 Codes, carrier route codes, and delivery point barcode information to the mailer's addresses. Once this standardization process is completed, the entire mailer's list is matched against the NCOA database.

When a match from the list is made to an NCOA name and address, the new address information is returned to the mailer.

The NCOA database consists of address information for individuals, families, and businesses that have moved within the past 36 months. The names and addresses are compiled from COA orders presented to the Postal Service when a permanent move occurs. Temporary moves are not recorded on NCOA.

Expected Benefits

Because NCOA is used prior to a mailing, it greatly reduces UAA mail, which in turn reduces rehandling costs. NCOA also provides mailers with a PS Form 3553, which proves the list was updated on a given date by Coding Accuracy Support System-certified software.

Current Status

The NCOA database contains 113 million permanent COA records, and the NCOA network consists of 23 commercial, nonexclusive licensees. In FY '96, 62.2 billion addresses were processed through the NCOA service, and over 17,000 customers submitted their address files to NCOA licensees in FY '96.

- * Licensee names and telephone numbers are provided on page 4 for your convenience. Representatives from each company are able to discuss the requirements and provide pricing information.

NCOA LICENSED VENDORS

DENISE ROSE
ACXION CORP * *** *****
301 INDUSTRIAL BLVD
CONWAY AR 72032-7103
(501) 336-1624

MARTY KURPIEL
CREATIVE AUTOMATION CO * *****
220 FENCL LN
HILLSDALE IL 60162-2039
(708) 449-2800

DANIEL MINNICK
DIRECT MARKETING TECH INC * *** *****
955 AMERICAN LN
SCHAUMBURG IL 60173-4998
(847) 517-5683

JOANNE CLARK
DYNAMARK / PRINTRONIC DIV. *
4295 LEXINGTON AVE N
SAINT PAUL MN 55126-6164
(612) 486-1841

BECKY MIZE
EQUIFAX CREDIT MARKETING SERVICES
11011 RICHMOND AVE STE 100
HOUSTON TX 77042-4773
(770) 740-4369

ROGER WILLEY
FIRST DATA SOLUTIONS *
2301 N 117TH AVE
OMAHA NE 68164-3682
(402) 498-6144

DEBRA LECCESE
HARTE HANKS DATA TECHNOLOGIES *
25 LINNELL CIR
BILLERICA MA 01821-3961
(508) 663-9955

JIM MUCCI
LCS INDUSTRIES * ***
120 BRIGHTON RD
CLIFTON NJ 07012-1694
(201) 614-3402

AMY GRATZ
MAY AND SPEH INC * *** *****
1501 OPUS PL
DOWNERS GROVE IL 60515-5727
(630) 719-0577

PAUL STORCH
ANCHOR COMPUTER * *** *****
1900 NEW HWY
FARMINGDALE NY 11735-1537
(516) 293-6100

MARK GOLDNER
DATABASE AMERICA * *** *****
100 PARAGON DR
MONTVALE NJ 07645-1745
(201) 476-2000

SIG FINKS
DONNELLEY MKTG INC * ** * * * *
600 HIGHWAY 169 S STE 500
SAINT LOUIS PARK MN 55426-1209
(612) 541-6500

MICHAEL MCCOY
DYNAMIC MARKETING SERVICES * ***
5884 POINT WEST DR
HOUSTON TX 77036-2612
(713) 995-2200

DENNIS KOOKER
EXPERIAN *
701 EXPERIAN PKWY
ALLEN TX 75013-3715
(972) 390-5330

RICK COLEMAN
GLOBE LIFE AND ACCIDENT INS CO *
133 NW 122ND ST
OKLAHOMA CITY OK 73184-1000
(405) 749-7414

BRIAN TOMASINO
HARTE HANKS DIRECT MARKETING *
6701 BAYMEADOW DR STE D
GLEN BURNIE MD 21060-6401
(410) 247-6430

BRIAN HADE
LIST MAINTENANCE CORP * ***
1 AMERICAN LN
GREENWICH CT 06831-2560
(203) 552-0217

IRWIN LEVINE
MBS/MULTIMODE *
7 NORDEN LN
HUNTINGTON STA NY 11749-2139
(513) 673-5600

MARVIN DAWSON
MERKLE COMPUTER SERVICES *
5200 PHILADELPHIA WAY STE E
LANHAM MD 20706-4492
(301) 459-9700

SUSAN ROBERTS
NEODATA SERVICES *
833 W SOUTH BOULDER RD
LOUISVILLE CO 80027-2499
(303) 666-7000

MICHAEL BECKER
TIME CUSTOMER SERVICE INC *
1 N DALE MABRY HWY
TAMPA FL 33609-2700
(813) 554-2031

* PROVIDES NIXIE ELIMINATION
*** PROVIDES LACS PROCESSING

JOE DIVITO
METROMAIL CORPORATION * * ******
360 E 22ND ST
LOMBARD IL 60148-4989
(714) 263-6038

SUSAN CARTER
POLK COMPANY (The) * * ******
26955 NORTHWESTERN HWY
SOUTHFIELD MI 48034-8455
(810) 728-7563

JOE FERRARA
TRIPLEX DIRECT MKTG CORP * ***
20 LEVERONI CT
NOVATO CA 94949-5798
(415) 382-7108

** PROVIDES DISKETTE PROCESSING
**** PROVIDES DSF PROCESSING

FASTforwardSM

Description

The *FASTforward*SM system contains more than 16 million permanent change-of-address (COA) records filed with the Postal Service by relocating customers who want their mail forwarded to their new address. These COA records reflect a 6-month period relative to the move-effective date the customer provided. *FASTforward*SM COA data is updated weekly.

The *FASTforward*SM system consists of a licensed computer system containing *FASTforward*SM name- and address-matching software and the COA database. The Postal Service is the sole owner and distributor of the *FASTforward*SM hardware and software components that comprise the *FASTforward*SM system. Specifically, this includes the *FASTforward*SM software, the computer system itself, and the small computer systems interface (SCSI) interfacing cable that connects the *FASTforward*SM system to the licensee-owned or -leased system components. The *FASTforward*SM system is the sole property of the United States Postal Service, © 1996, All Rights Reserved.

*FASTforward*SM is available in two separate and distinct versions. The original *FASTforward*SM application was developed to interface with commercial mail-processing equipment, such as multiline optical character readers (MLOCs) and remote video encoding (RVE) stations. Licensed systems are required to have a *FASTforward*SM interface that meets USPS specifications (contact your equipment manufacturer for details and pricing on this modification). In this application, *FASTforward*SM licensees redirect previously prepared mailpieces to the intended recipient's new address. The specific information (new address) is obtained through a matching process of the MLOC optic lift (or RVE keyed data) from the mailpiece name and address against the national database of permanent COAs filed during the preceding 6 months. Address change information is therefore provided for application to the mailpiece only for those articles that, in fact, have a matching name and old address present. Any new address provided by *FASTforward*SM as the result of a match is appended with the ZIP+4/DPC information along with a text representation of the new (forwarded to) address. This returned information is applied to the mailpiece in real time by the MLOC system.

The second version, *FASTforward*SM for Mailing List Correction, provides *FASTforward*SM licensees the ability to update computer-based name and address mailing lists electronically prior to the creation of the mailpiece. This version also requires licensees to have a *FASTforward*SM interface that meets Postal Service specifications. However, the new address information is obtained through a matching process of the name and address contained in the mailing list against the national database of permanent COAs filed during the preceding 6 months. Again, address change information is only provided for those records that, in fact, have a matching name and old address present. In the event that new address information is returned, the effective date of the move and the carrier identification for the new address are also returned. This returned information is used to update the mailing list.

Expected Benefits

*FASTforward*SM is a USPS-approved option for mailers to meet the move update requirement, which takes effect on July 1, 1997. When *FASTforward*SM is utilized in conjunction with either MLOC (and/or RVE) processing or mailing list correction services, mailpieces avoid the delays associated with traditional mail-forwarding activities.

Current Status

Applications for licensing *FASTforward*SM are now being accepted. Interested parties should request information by writing to the address on page 7. In addition, they should contact their equipment manufacturers for information on obtaining the *FASTforward*SM interface system.

Reference Documents

You can obtain the *FASTforward*SM licensing information package by writing to the following address:

MARK TREESE
PURCHASING SERVICE CENTER
UNITED STATES POSTAL SERVICE
225 N HUMPHREYS BLVD
MEMPHIS TN 38166-2260

Please include name, address, phone number, and choice of license (MLOC/RVE or Mailing List Correction).

ANCILLARY SERVICE ENDORSEMENTS

Description

Undeliverable-as-addressed (UAA) mail is forwarded, returned to the sender, or treated as dead mail, as authorized for the particular mail class. A mailer endorsement is used to request forwarding, return, change, or address correction service. Formerly referred to as “Address Correction Requested,” this updating method will be simplified July 1, 1997, and identified as “Ancillary Service Endorsements.”

Four ancillary service endorsements will be used for all mail classes:

- Address Service Requested
- Forwarding Service Requested
- Return Service Requested
- Change Service Requested

Please refer to the chart on page 8 for information on current and new endorsements for First-Class Mail, Priority Mail, and Express Mail.

Expected Benefits

Ancillary service endorsements allow the sender to obtain on request (provided the appropriate ancillary service endorsement is used) the addressee's new (forwarding) address (if the addressee filed a change-of-address order with the Postal Service) or the reason for nondelivery. These endorsements also provide the Postal Service with instructions for the disposition of UAA mail. These new endorsements provide a simpler and more consistent system than the one currently in place.

Current Status

The Postal Service will honor current endorsements until December 31, 1997.

Reference Documents

Domestic Mail Manual, F010.

FIRST-CLASS, PRIORITY, & EXPRESS MAIL ANCILLARY SERVICE ENDORSEMENTS

CURRENT (valid until December 31, 1997)

NEW (effective July 1, 1997)

Mailer Endorsement	USPS Action on UAA Pieces	Mailer Endorsement	USPS Action on UAA Pieces
“Forwarding and Address Correction Requested” or “Forward & Address Correction”	Months 1 – 12: mailpiece forwarded; no charge; separate notice of new address provided; address correction fee charged. Months 13 – 18: mailpiece returned with new address attached; no charge. After month 18, or if undeliverable: mailpiece returned with reason for nondelivery attached; no charge.	“Address Service Requested”	No change in USPS action.
		“Forwarding Service Requested”	Months 1 – 12: mailpiece forwarded; no charge. Months 13 – 18: mailpiece returned with new address attached; no charge. After month 18, or if undeliverable: mailpiece returned with reason for nondelivery attached; no charge. Note: Same USPS action as no endorsement.
“Address Correction Requested” or “Do Not Forward”	Mailpiece returned with new address or reason for nondelivery attached; no charge.	“Return Service Requested”	No change in USPS action.
		“Change Service Requested”* *First-Class Mail only available via electronic ACS participation.	Separate notice of new address or reason for nondelivery provided; in either case, address correction fee charged; mailpiece disposed of by USPS. Not available for Priority Mail or Express Mail. Not available for mail with special services (e.g., certified or registered mail).
No endorsement	Months 1 – 12: mailpiece forwarded; no charge. Months 13 – 18: mailpiece returned with new address attached; no charge. After month 18, or if undeliverable: mailpiece returned with reason for nondelivery attached; no charge.	No endorsement	No change in USPS action.

OPTIONAL ANCILLARY SERVICE ENDORSEMENT LOCATIONS



UNITED STATES POSTAL SERVICE
475 L'ENFANT PLZ SW
WASHINGTON DC 20260-6800

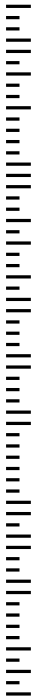
ADDRESS SERVICE REQUESTED³

Presorted
First-Class Mail
U.S. POSTAGE PAID
Washington, DC 20260
Permit No.

ADDRESS SERVICE REQUESTED¹

ADDRESS SERVICE REQUESTED⁴

ADDRESS SERVICE REQUESTED²



NATIONAL CUSTOMER SUPPORT CENTER
UNITED STATES POSTAL SERVICE

6060 PRIMACY PKWY STE 201
MEMPHIS TN 38188-0001

In addition to the current location under the return address (1), ancillary service endorsements may be placed above the delivery address block (2), to the left of the postage area (3), or below the postage area (4) (postage stamps, meter stamps, or permit imprints). See *Postal Bulletin* 21939 (February 13, 1997).

FREQUENTLY ASKED QUESTIONS ABOUT MOVE UPDATE

How does move update apply when mailing to a newly acquired address?

- A. Basic premises:
 - 1. Every address being mailed comes from a list of some kind, except when the addressee has initiated contact that results in a mailpiece. Each list may actually have several components or sublists when mailing to customers differs based on the business relationship.
 - 2. Each list is updated on a cycle. The cycle may be as long as 6 months (or 180 days) or as short as 1 day.
- B. When a customer initiates a contact that results in an addition to the list, the newly added address can “ride” with the list until the next cycle for update. This will only occur when the person for whom the mailpiece is prepared has asked to be added to the list by requesting services, literature, merchandise, etc. We anticipate the new names will not exceed 1% of the list total.
- C. Addresses derived from any source other than directly from the individual customer must be:
 - 1. Mailed at single-piece rates;
 - 2. Mailed at single-piece rates until a move update process is used to verify the address; or
 - 3. Accompanied by the necessary documentation from the list source that identifies the method and timeframe of the move update process to determine the length of eligibility.
- D. If the address list is provided to another party for the purpose of mailing at discount First-Class Mail rates and that list has a blend of established and newly acquired customers, the list source must furnish documentation or evidence of the move update process used (to determine the length of eligibility) and additional information on the number of new names acquired directly from the customer since the time of the last update. We anticipate the new names will not exceed 1% of the list total.
- E. If the address list is further distributed to additional mailers (by the second party to others, by a third party to others, etc.), a copy of the original documentation with dates of processing and the number of additions to the list must accompany it.

Will a piece that bears the “Address Correction Requested” (ACR) endorsement meet the standard?

Printing the ACR endorsement on a piece does not, by itself, satisfy the standard. A piece being mailed on or after July 1, 1997, at a discounted First-Class rate does NOT meet the standard if it is the method being used to obtain the address update (and no other update for that address was performed in the preceding 180 days or 6 months). For example, if mailed on July 10, 1997, with an address on the piece that was not previously updated or that was updated over 180 days or 6 months earlier, a piece bearing the ACR endorsement does not qualify for the automation-rate First-Class Mail.

Does updating have to begin on July 1, 1997?

Mailers do not need to begin their updating process on this date; however, on this date mailers must begin using addresses that were updated within the previous 180 days or 6 months. For example, presorted First-Class Mail entered on July 6, 1997, must bear addresses that were updated no earlier than 180 days or 6 months before that date. If the mailer plans to deposit a mailing on January 30, 1998, then the updating of the addresses must begin no earlier than 180 days or 6 months before that date. This is a rolling 180-day period determined by the date on which the particular address is actually used on a piece of discount-rate First-Class Mail.

Does a list or name have to be updated literally every 180 days?

It is not necessary to update a list or name every 180 days or 6 months. An address can be updated anytime, so long as it is updated within 180 days or 6 months before the address is actually used for discount-rate First-Class

Mail. If the mailer sends to a list once every 2 years, that list would not need to be run until 180 days (or 6 months) or less before the mailing date.

Must whole lists be updated every time?

Entire lists do NOT have to be updated at once. The standard applies to individual addresses, not to entire lists, so only those addresses that will be used on discount-rate First-Class Mail need to meet the update standard. Inactive addresses or those used only on mail of other classes do not have to meet this standard until (if ever) they are used to send discount-rate First-Class Mail.

Must First-Class Mail be used to obtain the update?

No. Updating may be performed by any approved method appropriate for the class of the mailpiece. A valid update can be obtained regardless of the class of the mailpiece used for that purpose.

ALTERNATE METHODS FOR SPECIFIC SITUATIONS

Some mailers claim there is a legal restriction that prevents them from incorporating Postal Service change-of-address (COA) information without direct notification from the addressee.

1. The mailer must request approval to use an alternate method of meeting the requirement. Unless the mailer is a federal, state, or local government entity, the request must be accompanied by citation of the specific legal restriction, including copies of the statutes and/or regulations.
2. If approved, the mailer must use the alternate method below:
 - a. Postal Service COA information must be obtained by one of the authorized methods (ACS, NCOA, *FASTforward*SM, or an on-piece ancillary service endorsement no more than 6 months before the mailing).
 - b. For each address identified as a COA in 2.a., the mailer must contact the addressee within 30 days after receiving the COA information to request confirmation of the move in a format that will satisfy the mailer's legal requirements. The form (written, telephone, electronic, etc.) of this contact is the mailer's option; if written notification is used, it must be sent to the new address, and any enclosed reply piece must be barcoded.
 - c. All COA confirmations received in response to 2.b. must be incorporated in the mailer's list within 30 days of receipt.
 - d. For 2 years, the mailer must retain documentation of this process, including dates on which each step was performed, number of COAs identified, number of confirmation requests, and evidence that demonstrates the updates have been incorporated into the list. Documentation must be made available to the Postal Service upon request.
3. After 6 months, the Postal Service will review and evaluate the success of this alternate method.

Some mailers claim they cannot use NCOA because of legal or corporate policy restrictions on the disclosure of their address lists.

These mailers should have no difficulty complying with the move update requirement using on-piece endorsements or internal *FASTforward*SM matching—neither of which requires that the address list be provided to a third party for correction. No alternate process is required.

Some mailers claim that, because of timely customer notification, their COA information is up-to-date and at least as good as the Postal Service's. They claim, therefore, that 6-month matching wastes their time and money and adds no value.

Mailers have the option of meeting the requirement either by using an on-piece endorsement (which should have a minimal cost if the list is up-to-date) or by using an alternate method as follows:

1. The mailer must provide an electronic version of the address list in a format defined by the Postal Service. The mailer will provide 100% of the address list. The Postal Service will match the list against NCOA information for an initial charge of \$1 per thousand records. Mailers who are unable to format their file in the appropriate format will be charged a setup fee of \$250 with a minimum charge of \$100.
2. If COAs total 1% or less of the mailer's list, the mailer will be permitted to mail based on that process and will be provided written documentation from the Postal Service that the mailer meets the move update requirement. The documentation will include the number of addresses that matched to the NCOA file and the percentage of the address list that those addresses represent. Addresses that match will be identified so the mailer may take action to update the address information. If COAs exceed 1%, the mailer will be required to use an approved method of move update but will be permitted to reapply for alternate processing after a period of 6 months.
3. Approximately 90 days after successful completion of steps 1 and 2, those steps will be repeated to ensure continued compliance with the 1% requirement. The mailer will not be charged for the repeated service. If the mailer remains in compliance with the 1% requirement, the mailer will be permitted to mail based on that process for the next year. If the mailer does not remain in compliance, the mailer will be notified in writing that approval for alternate move update processing has been withdrawn. The mailer will be required to use an approved method of move update and will be required to wait 6 months to reapply for alternate processing.
4. Steps 1 – 3 will be repeated annually.
5. After the second year, the Postal Service will evaluate the success of this alternate method and the viability of extending the time period of the requalification process.